



SAIIA INDIA-SA CONFERENCE
STRATEGIC PARTNERS:

INDIA AND SOUTH AFRICA

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GROUP SENIOR EXECUTIVE
ASPEN PHARMACARE HOLDINGS LTD

10 June 2011

**A PRACTICAL AND OPERATIONAL BUSINESS
PERSONS VIEW**

COMPETITORS OR COLLABORATORS?

PHARMACEUTICAL TRADE FLOWS
AND
BUSINESS MODELS

PHARMACEUTICAL SPACE

- Both have aspirations
- Disease burdens
- Both have different strengths
- Both compete vigorously against each other
- Industrial Policies

COLLABORATIVE OPPORTUNITIES

- Identifying strategic markets
- Harnessing each others strengths and turning weaknesses into strengths
- Assertive complementation
- South – South → BRICS co-op

CHALLENGES

- Trade Distortions
- Geo-strategic alignment

LOGISTICS FEE (LF) COMPONENT
OF THE TRANSPARENT
SEP SYSTEM

PTG'S OUTLOOK OF THE LF

- Fair and reasonable LF that realised an effective, efficient and sustainable pharmaceutical supply chain
- Contributes to increasing access to treatment and pharmaceutical services
- Ensures supply security
- Is not manipulated to realise disguised peversities
- Enables competition and does not promote future monopolies in supply chain

CAPPING OF THE LF

- Supported provided fair and reasonable and does not invoke unreasonable economic prejudice to stakeholders with consequent supply security disruptions
- PTG for reasons of Competition Law cannot make proposal around what constitutes an appropriate fee, we are however of the view that present proposals are not sustainable and could make certain medicines inaccessible
- Any LF determination should have regard for diversity in the initial LF definitions and application in products distributed through present supply chain e.g. low ASP's, LVP's, cold chain etc
- S22C (1) (b) Logistics providers need to be “cleaned up” and the appointment of logistic service providers should be at the manufacturers discretion

CAPPING OF THE LF (cont'd)

- The scope and definition of LF should be interpreted to include legitimate data and fees
- The LF should eliminate perverse activities
- The LF should allow for subsequent upward or downward SEP adjustment